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December 30, 2003

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OF COUNSEL  
WILLIAM G. CONLY

Honorable James H. Welsh  
Commissioner of Conservation  
State of Louisiana  
Post Office Box 44275  
Baton Rouge, Louisiana 70804-4275

Re: APPLICATION FOR PUBLIC HEARING.

8750' Sand, Reservoirs A and B, and Lower Cris I  
Sand, Reservoirs A and C, STELLA FIELD,  
Plaquemines Parish, Louisiana.

Dear Sir:

MANTI OPERATING COMPANY ("Applicant") hereby respectfully applies for a public hearing to consider evidence relative to the issuance of Orders pertaining to the following matters relating to the 8750' Sand, Reservoirs A and B, and to the Lower Cris I Sand, Reservoirs A and C, in the Stella Field, Plaquemines Parish, Louisiana:

8750' Sand, Reservoirs A and B and  
Lower Cris I Sand, Reservoir C

1. To establish rules and regulations governing the exploration for and production of gas and condensate from the 8750' Sand, Reservoirs A and B, and from the Lower Cris I Sand, Reservoir C.
2. To create a single drilling and production unit for each of these sands and reservoirs, such units being shown on attached plats and being designated 8750 RA SUA, 8750 RB SUA and L CRIS I RC SUA.
3. To force pool and integrate all separately owned tracts, mineral leases and other property interests within each of the proposed units in accordance with Section 10, Title 30, of the Louisiana Revised Statutes of 1950, with each separate tract sharing in unit production on a surface acreage basis of participation.
4. To designate Manti Operating Company as operator of, and its Theresa L. Meyer et al. No. 1 Well as the unit well for, 8750 RA SUA; and to designate a unit well and unit operator for 8750 RB SUA and L CRIS I RC SUA as may be appropriate.
5. To provide that future wells drilled to any of these sands and reservoirs be located in accordance with the provisions of Statewide Order No. 29-E.

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6. To provide that any future replacement and/or alternate unit well for these units be exempt from the well location provisions of Statewide Order No. 29-E.

7. To provide that the Commissioner of Conservation may reclassify any of these sands and reservoirs by Supplemental Order and without the necessity of a public hearing should such a reclassification be warranted based on evidence furnished to the Commissioner.

8. To define the 8750' Sand as that gas and condensate bearing interval encountered between the measured depths of 8,820 feet and 9,192 feet (8,764 feet and 9,074 feet TVD), in the Manti Operating Company--Theresa L. Meyer et al. No. 1 Well, and between the measured depths of 8,805 feet and 9,680 feet in the Richardson & Bass--Una Meyer Cosse et al. No. 1-S Well, both of these wells being located in Section 19, Township 14 South, Range 12 East, Plaquemines Parish, Louisiana.

9. To further define the Lower Cris I Sand, presently defined in Office of Conservation Order No. 27-F, effective September 18, 1991, as that gas and condensate bearing interval encountered between the measured depths of 9,896 feet and 10,116 feet (9,679 feet and 9,899 feet TVD), in the Manti Operating Company--State Lease 17265 No. 1 Well, located in Section 19, Township 14 South, Range 12 East, Plaquemines Parish, Louisiana.

10. To consider such other matters as may be pertinent to these sands and reservoirs.

#### Lower Cris I Sand, Reservoir A

1. To dissolve the units designated L CRIS I RA SUA, created by Office of Conservation Order No. 27-F, effective September 18, 1991, and L CRIS I RA SUB, created by Office of Conservation Order No. 27-F-1, effective November 19, 2002, and simultaneously therewith to create a single revised drilling and production unit for the exploration for and production of gas and condensate from the Lower Cris I Sand, Reservoir A, said revised unit being shown on an attached plat and being designated L CRIS I RA SUA.

2. To force pool and integrate all separately owned tracts, mineral leases and other property interests within the proposed revised unit in accordance with Section 10, Title 30, of the Louisiana Revised Statutes of 1950, with each separate tract sharing in unit production on a surface acreage basis of participation.

3. To designate Manti Operating Company as operator of, and its State Lease 17265 No. 1 Well as the unit well for, the proposed revised unit.

4. To further define the Lower Cris I Sand in the manner provided hereinabove.

5. To provide that any future replacement and/or alternate unit well for this unit be exempt from the well location provisions of Statewide Order No. 29-E.
6. To provide that the Commissioner of Conservation may reclassify this sand and reservoir by Supplemental Order and without the necessity of a public hearing should such a reclassification be warranted based on evidence furnished to the Commissioner.
7. To extend, except as in conflict herewith, the pertinent provisions of Office of Conservation Order No. 27-F, effective September 18, 1991, to the proposed revised unit.
8. To consider such other matters as may be pertinent to this sand and reservoir.

The Lower Cris I Sand, Reservoir A, in the Stella Field, Plaquemines Parish, Louisiana, is currently defined in Office of Conservation Order No. 27-F, effective September 18, 1991.

Pertinent data concerning this application is available for inspection at the offices of Leon E. Comeaux & Associates, 305 La Rue France, Lafayette, Louisiana 70505. Any person wishing to inspect such data should call Mr. David Comeaux at (337) 233-9839 during normal business hours in order to arrange a date and time for such inspection. A copy of any such pertinent data which is not otherwise available from the records of the Louisiana Office of Conservation can be obtained from Applicant at the expense of the requesting party.

By letter dated December 1, 2003, Applicant gave notice, in accordance with the Revised Rules of Procedure, of its intention to apply for a public hearing concerning those matters and a pre-application conference with respect to Applicant's proposals was thereafter held beginning at 10:30 o'clock a.m. on December 23, 2003, in Lafayette, Louisiana. Attached is a list of the names and addresses of these persons attending the conference.

On behalf of Applicant, the undersigned explained the purpose of the conference after which Mr. David Comeaux presented the bases for Applicant's proposals by sufficient data and detail for those present at the conference to have a reasonable opportunity to discuss the proposals and attempt to resolve any differences in good faith. Following Applicant's presentation, there was a general question and answer period concerning the proposals of Applicant. Many of these questions related to the proper location of the R&B--Cosse No. 1 Well in the northeastern portion of the area affected by Applicant's proposals. As stated at the conference, Applicant has placed this well in its proposals based on the location reflected in the records of the Office of Conservation. In attempting to locate the well on the ground by survey, representatives of Applicant had been asked to leave the property. Applicant stated that it would continue with its efforts to establish the as-drilled location of this well by survey. Applicant further stated that should the as-drilled location of this well be different from the location utilized by Applicant in its proposals, that Applicant's proposals would be revised accordingly since this well is a geologically significant well under Applicant's proposals.

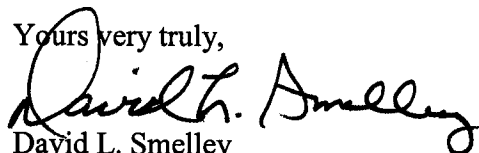
Following Applicant's presentation, a counterplan was presented by Mr. Henry Magee on behalf of Susan Magee. The counterplan of Mr. Magee differed from Applicant's proposals in several ways, including both existence and placement of controlling faulting and structural configuration. Following presentation of the counterplan, there was another general question and answer period after which the conference was adjourned with no resolution of differences and with certain other parties indicating the possibility that they may file counterplans.

Attached hereto are unit plats outlining Applicant's proposed units. It should be noted that the land base map for the attached plats is different from that used for the plats attached to the pre-application notice due to the fact that the attached plats incorporate recent surveying information. Otherwise, the attached plats are identical to those attached to the pre-application notice except for a notation as to geologically significant wells. Also attached is a list of the names and addresses of all Interested Owners, Represented Parties and Interested Parties to whom a copy of this application is being sent. Pursuant to the Revised Rules of Procedure, such list is being forwarded only to the Commissioner of Conservation and to the District Manager of the Lafayette District of the Office of Conservation. A copy of the list will be furnished by the undersigned to any party so requesting. A reasonable effort was made to obtain a complete list of Interested Owners, Represented Parties and Interested Parties.

Applicant will provide for posting of a copy of the Legal Notice of this hearing, and the enclosed plats, at a prominent place in the area affected and will cause publication of the Legal Notice in a newspaper published in the general area of Stella Field, all in accordance with the Revised Rules of Procedure. Furthermore, a copy of the Legal Notice will be mailed to all Interested Owners, Represented Parties and Interested Parties promptly upon receipt of the Legal Notice from the Commissioner.

Finally, we enclose our check payable to the Commissioner of Conservation for the application fee.

Yours very truly,



David L. Smelley

-- Attorney for Manti Operating Company

DLS:dp

Enclosures

cc: Mr. Richard Hudson (w/encls.)  
Mr. Barry Clark (w/encls.)  
Mr. David Comeaux (w/encls.)  
Interested Owners, Represented Parties and Interested  
Parties (w/plats and list of conference attendees only)



